DOCKET NO. CV 11-03975 SI

PATENT OR

TRADEMARK NO.

16,035,774

PLAINTIFF PROCONGPS INC INC

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TO: Mail Stop 8 Director of the U.S. Patent & Trademark Office P.O. Box 1450 Alexandria, VA 22313-1450

8/15/11

OR TRADEMARK

In the above—entitled case, the following patent(s) have been included

REPORT ON THE FILING OR DETERMINATION OF AN ACTION REGARDING A PATENT OR TRADEMARK

Northern District of California, 450 Golden Gate Avenue, San Francisco, CA

HOLDER OF PATENT OR TRADEMARK

SEE ATTACHED COMPLAINT

STAR SENSOR LLC

	1 -	Amendment	☐ Answer	Cross Bill	☐ Other Pleading
PATENT OR TRADEMARK NO.	DATE OF PATEN OR TRADEMAR		HOLDER OF PATENT OR TRADEMARK		
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	ove—entitled case, the follo	wing decision ha	as been rendered o	r judgement issued	
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26 27 28 infringement of others and/or contributing to the infringement by others) infringed one or more claims of the '774 Patent and one or more claims of the '217 Patent;

- b. A permanent injunction enjoining Defendants and their officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert or participation with them, from infringing the '774 Patent and the '217 Patent.
- c. A judgment and order requiring Defendants to pay Procon its damages (including a reasonable royalty and/or lost profits), costs, expenses, and pre-judgment and post-judgment interest for Defendants' infringement of the '774 Patent and the '717 Patent.'
- d. A Judgment and order finding that Defendants willfully infringed the '774 Patent and the '217 Patent, and trebling damages under 35 U.S.C. § 284;
- A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding Procon its reasonable attorneys' fees and costs;
- Any other relief as the Court deems just and proper.

Dated: August 11, 2011

and

By: Ata Montage
RAJ ABHYANKER, P.C.

CHRISTIAN J/MARTINEZ christian@rajpatent.com 1580 W. El Camino Real, Suite 8 Mountain View CA, 94040 Telephone: (650) 965-8731 Facsimile: (650) 989-2131

Attorneys for Plaintiff. ProconGPS, Inc.

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RAJ V. ABHYANKER (CA SBN 233284)
raj@apatent.com
CHRISTIAN J. MARTINEZ (CA SBN 215360)
christiam@rajpatent.com
SAMIK BHATTACHARYYA (CA SBN 260836)
samik@rajpatent.com

samik@rajpatent.com
ASHWIN ANAND (CA SBN 264694)

ashwin@rajpatent.com VANDANA BALAKRISHNAN (CA SBN 267322)

vandana@rajpatent.com BENJAMÍN ASHUROV (CA SBN 271716) ben@rajpatent.com RAJ ABHYANKER, P.C.

RAJ ABHYANKER, P.C.
1580 W. El Camino Real, Suite 8
Mountain View, CA 94040
Telephone: (650) 965-8731
Facsimile: (650) 989-2131

Attorneys for Plaintiff, ProconGPS, Inc.



SI

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

CV 11 3975

PROCONGPS, INC., a Tennessee Corporation,

Plaintiff.

STAR SENSOR, LLC, a California Limited Liability Company, 1JM SCHUMACHER, a California Limited Liability Company (dvba GPS Vchicle Finder), JIM SCHUMACHER, an individual; TONY RANGEL, an individual; SKYPATROL, LLC., a Florida Limited Liability Corporation

Defendants.

CASE NO.

COMPLAINT FOR PATENT INFRINGEMENT

DEMAND FOR JURY TRIAL

Plaintiff ProconGPS, Inc., by and through its attorneys, hereby alleges for its Complaint against Defendants Star Sensor Technology, LLC, Jim Schumacher, LLC, Mr. Jim Schumacher,

COMPLAINT FOR PATENT INFRINGEMENT AND DEMAND FOR JURY TRIAL

CASE NO.

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Mr. Tony Rangel, and Skypatrol, LLC, (collectively, "Defendants") the following.

PARTIES

ProconGPS, Inc. ("Procon") is a corporation organized under the laws of the State
of Tennessee with its principal place of business at 2035 Lakeside Centre Way, Suite 125
Knoxville, Tennessee 37922 and facilities in Irvine, California, and is doing business in this
district.

2. On information and belief, Star Sensor Technology, LLC ("Star Sensor") is a limited liability company organized under the laws of the State of California with its principal place of business at 5753-G E. Santa Ana Canyon Rd. Anabeim Hills, California 92807 and is doing business in this district. On information and belief, Defendant Star Sensor was organized.

by Tony Rangel, currently a member of Star Sensor.

3. On information and belief, Jim Schumacher, LLC ("Schumacher LLC") is a limited liability company organized under the laws of the State of California with its principal place of business at 367 Ogle St., Costa Mess, California, 92627, and is doing business in this district.

 On information and belief, Jim Schumacher is an individual residing in Newport Beach, California, and is the sole member of Jim Schumacher, LLC. On information and belief, Jim Schumacher also cofounded Star Sensor and is doing business in this District.

On information and belief, Tony Rangel is an individual residing in Chino Hills,
 California, is a member of Star Sensor, and is doing business in this district.

 On information and belief, SkyPatrol, LLC. ("Skypatrol") is a limited liability company organized under the laws of the State of Florida with its principal place of business at 3055 NW 84th Avenue, Miami, Florida 33122 and is doing business in this district.

JURISDICTION AND VENUE

 This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. Jurisdiction as to these claims is conferred on this Court by 28 U.S.C. §§ 1331 and 1338(a).

Venue is proper in this District under 28 U.S.C. §§ 1391 and 1400(b). On

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information and belief, Defendants have committed acts of direct and/or indirect infringement in this judicial district and/or have purposely transacted business in the infringing goods and/or services in the State of California and in this judicial district.

9. On information and belief, this Court has personal jurisdiction over Defendants because Defendants transact business in the State of California and in this District. On information and belief, Defendants either directly or through intermediaries, solicited business, conducted and do conduct business, ship, distribute, offer for sale, and/or sell products and services in California and within this judicial district. Upon information and belief, Defendants derive substantial revenue from their acts of infringement within the State of California and in his District.

INTRADISTRICT ASSIGNMENT

 This is an Intellectual Property Action to be assigned on a district-wide basis nursuant to Civil Local Rule 3-2(e).

THE ASSERTED PATENTS

- On February 15, 2000, the United States Patent and Trademark Office ("USPTO") duly and legally issued U.S. Patent No. 6,025,774 (""774 Patent"), entitled "Method for Retrieving Vehicular Collateral." A true and correct copy of the "774 Patent is attached as
- On June 19, 2001, the USPTO duly and legally issued U.S. Patent No. 6,249,217
 ("217 Patent"), entitled "Method for Retrieving Vehicular Collateral." A true and correct copy of
 the '217 Patent is statisched as Exhibit 2.
- Procon is the exclusive owner of the '217 Patent and the '774 Patent by assignments filed with the USPTO on July 11, 2011.

BACKGROUND

14. Plaintiff Procon was established in 2002 to provide wireless security and mobile security products and services. Procon has grown to be the leading service provider of location-based products and services, including products and services that perform tracking based on global positioning System ("GPS") data. Procon has designed, developed, marketed, and sold

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GPS tracking devices and solutions for several years. The GPS tracking devices from Procon enable customers to locate and track vehicles across Procon's North American data network.

- 15. In March 2008, Procon entered into non-exclusive licenses for the "774 and '217 Patents from their prior owner. Using these licenses, Procon built their GPS tracking business from \$15 million in 2007 to over \$70 million in 2010. On or about June 27, 2011, Procon parchased the patents from the licensor.
- 16. The inventions embodied in the '774 and '217 Patents have helped Procon revolutionize the vehicle finance tracking industry. Due to the enormous cost awings and improved security provided by the method of recovering collateral as claimed in the '774 and '217 Patents, auto dealers and financial institutions are able to offer their products and services to a dramatically wider market.
- 17. On information and belief, Jim Schumacher is a former sales representative at a reseller of Procon's products and services and is an experienced sales representative in the industry.
- 18. On information and belief, in or about 2005, Jim Schumacher organized Jim Schumacher LLC, an entity based in Costa Mess, California, and doing business as GPS Vehicle Finder, which operates an Internet website at http://www.gpsvehiclefinder.com wherein it selfs and offers for sels GPS tracking products and services which infringe the '774 and '217 Patents.

COUNT 1 (Infringement of the '774 Patent)

- Procon incorporates and realleges paragraphs 1-18 as if fully set forth herein.
- 20. Defendant Skypatrol has been and is now infringing, directly, literally and/or under the doctrine of equivalents, and/or indirectly (by way of inducing infringement of others and/or contributing to the infringement by others), the '774 Patent by, among other things, making using, operating, importing, offering to sell, and/or selling products such as Skypatrol's Passport GPS tracking device, and/or offering to sell, selling and/or providing services under programs such as Skypatrol's Fleet Management Solutions, Payment Assurance Solutions, Vehicle Location services, GPS Tracking Solutions, GPS Tracking System and Buy Here Pay

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Here programs, which implement methods of securing collateral that are covered by one or more claims of the '774 Patent, including without limitation independent claim 1. Thus, defendant Skypatrol is liable for infringement of the '774 Patent under 35 U.S.C. § 271.

- 21. On information and belief, Skypatrol's infringement of the '774 Patent is and has been willful. On information and belief, as a result of a comprehensive analysis Skypatrol previously conducted of the '774 Patent, the USPTO's June 28, 2011 publication of a Certificate of Recasimination, and following a notification from Procon of the '774 Patent, Skypatrol has been aware, or should have been aware, of the '774 Patent since its issuance on February 15.
- Skypatrol did not cease its willful infringement of the '774 Patent. Skypatrol disregarded and continues to disregard the fact that its actions constitute infringement of the '774 Patent. This risk of infringement was known or is so obvious that it should have been known to
- 23. Defendants Star Sensor, Tony Rangel, Jim Schumacher and Jim Schumacher LLC have been and are now infringing, directly, literally and/or under the doctrine of equivalents, and/or jointly and/or indirectly (by way of inducing infringement of others and/or contributing to the infringement by others) bit 774 Patent in California and in this district and throughout the little growth of the start in California and in this district and throughout the selfing products such as the ES101 GPS/GPRS module and the LCS-1 GPS tracking device, and/or offering to sell, and/or selling products such as the ES101 GPS/GPRS module and the LCS-1 GPS tracking device, and/or offering to sell, selling and/or providing services under programs such as Star Sensor's Piece & Dispatch Solutions, Tailer Monitoring Solutions, Container Tracking Solutions, programs, which implement one or more methods of securing collateral that are covered by one or more claims of the *774 Patent, including without limitation, independent claim 1. Defendants Star Sensor, Tony Rangel, Jim Schumacher and Jim Schumacher LLC are thus liable for Infringement of the *774 Patent pursuant to 35 U.S.C. § 271.
 - On information and belief, Star Sensor, Tony Rangel, Jim Schumacher and Jim Schumacher LLC's infringement of the '774 Patent is and has been willful. Star Sensor, Tony

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7 products and 8 '774 Patent.

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Rangel, Jim Schumacher, and Jim Schumacher, LLC, have known or should have known of the
'774 Patent since its issuance on February 15, 2000. On information and belief, Jim Schumacher,
through Jim Schumacher, LLC, was a reseller of Precon's products and services before
establishing Star Sensor, and knew or should have known of the '774 Patent, pre-existing
licensees of the '774 Patent, and the necessity for a license for Star Sensor, Tony Rangel, Jim
Schumacher, and Jim Schumacher, LLC to make, use, operate, import, offer to sell, and/or sell
products and services implementing one or more methods covered by one or more claims of the

25. On information and belief, Star Sensor, Tony Rangel, Jim Schumacher, and Jim Schumacher LLC have not ceased their willful infringement of the '774 Patent, and disregarded and continue to disregard the fact that their actions constitute infringement of the '774 Patent. On information and belief, this risk has been known, or is so obvious, that it should have been known to Star Sensor. Tony Rangel, Jim Schumacher, and Jim Schumacher LLC.

 Upon information and belief, all Defendants committed these acts of infringement without license or authorization.
 As a result of Defendants' infringement of the '774 Patent, Procon has suffered

27. As a result of Leenaams immigration on the Processing of the Manages in a mount not yet determined, and Procon will continue to suffer severe and irreparable harm unless this Court issues a permanent injunction prohibiting Defendants from infringing the '74P Patent.

COUNT II

(Infringement of the '217 Patent)

- Plaintiff incorporates and realleges the allegations of paragraphs 1-27 as if fully set forth herein.
- 29. Defendant Skypatrol has been and is now infringing, directly, literally and/or under the doctrine of equivalents, and or jointly and/or indirectly (by way of inducing infringement of others and/or contributing to the infringement by others, the '217 Patent by, among other things, making, using, operating, importing, offering to sell, and/or selling products such as Skypatrol's Passport GPS tracking device, and/or offering to sell, selling and/or providing

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services under programs such as Skypatrol's Fleet Management Solutions, Payment Assurance Solutions, Vehicle Location services, GPS Tracking Solutions, GPS Tracking System and Buy Here Pay Here programs, which implement methods of securing collateral that are covered by one or more claims of the 217 Patent, including independent claim 1. Defendant Skypatrol is thus liable for infringement of the 217 Patent under 35 U.S.C. § 271.

- 30. On information and belief, Skypatrol's infringement of the '217 Patent is and has been willful. On information and belief, as a result of a comprehensive analysis Skypatrol previously conducted of the '217 Patent, the USP1O's June 7, 2011 publication of a Certificate of Reexamination, and following a notification from Proon of the '217 Patent, Skypatrol has been aware, or should have been aware, of the '217 Patent since its issuance on June 19, 2001.
- Skypatrol has not ceased its willful infringement of the '217 Patent. Skypatrol disregarded and continues to disregard the fact that its actions constitute infringement of the '217 Patent. This risk of infringement was known or is so obvious that it should have been known to Skynatrol.
- 32. Defendants Star Sensor, Tony Rangel, Jim Schumacher and Jim Schumacher LLC have been and are now infringing, directly, literally and/or under the doctrine of equivalents, and/or jointly and/or indirectly (by way of inducing infringement of others and/or contributing to the infringement by others) the '217 Patent in California, in this district, and throughout the United States by, among other things, making, using, operating, importing, offering to sell, and/or selling products such as the ESIOI GPS/GPRS module and the LCS-I GPS tracking device, and/or offering to sell, selling and/or providing services under programs such as Star Sensor's Fleeta. & Dipapath Solutions, Traiter Monitoring Solutions, Container Tracking Solutions, Personal/Portable Solutions, Automotive Applications, and/or other GPS tracking solutions programs, which implement one or more methods of securing collateral that are covered by one or more claims of the '217 Patent, including without limitation, independent claim 1. Defendants Star Sensor, Tony Rangel, Jim Schumacher and Jim Schumacher LLC are thus liable for infringement of the '217 Patent pursuant to 35 U.S.C. § 271.

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Schumacher LLC's infringement of the '774 Patent is and has been willful. Star Sensor, Tony Rangel, Jim Schumacher, and Jim Schumacher, LLC, have known or should have known of the '217 Patent since its issuance on June 19, 2001. On information and belief, Jim Schumacher, through Jim Schumacher LLC, was a reseller of Procon's products and services before establishing Star Sensor, and knew or should have known of the '217 Patent, pre-existing licenses to use the '217 Patent, and the necessity for a license for Star Sensor, Tony Rangel, Jim Schumacher, and Jim Schumacher, LLC to make, use, operate, import, offer to sell, and/or sell products and services implementing one or more methods covered by one or more claims of the

- On information and belief, Star Sensor, Tony Rangel, Jim Schumacher, and Jim 34. Schumacher LLC have not ceased their willful infringement of the '217 Patent, and disregarded, and continue to disregard, the fact that their actions constitute infringement of the '217 Patent. On information and belief, this risk has been known, or is so obvious, that it should have been known to Star Sensor, Tony Rangel, Jim Schumacher, and Jim Schumacher LLC.
 - Upon information and belief, all Defendants committed these acts of infringement 35. without license or authorization.
 - As a result of Defendants' infringement of the '217 Patent, Procon has suffered monetary damages in an amount not yet determined, and Procon will continue to suffer severe and irreparable harm unless this Court issues a permanent injunction prohibiting Defendants, their agents, servants, employees, representatives, and all others acting in active concert therewith from infringing the '217 Patent.

DEMAND FOR JURY TRIAL

Plaintiff Procon requests a trial by jury of any issues so triable.

PRAYER FOR RELIEF

For the foregoing reasons, Procon respectfully asks this Court to grant the following relief in favor of Procon and against Defendants:

 A judgment in favor of Procon that the Defendants have directly (literally and/or under the doctrine of equivalents), and/or indirectly (by way of inducing -8-

COMPLAINT FOR PATENT INFRINGEMENT

CASE NO